

4/16/77

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THE WHITE HOUSE
WASHINGTON

April 16, 1977

Secretary Marshall
Stu Eizenstat
Jack Watson
Charlie Schultze

The attached was returned in
the President's outbox and is
forwarded to you for your
information and appropriate
action.

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

cc Marshall

ACTION
FYI

	MONDALE
	COSTANZA
/	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
/	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
/	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

2:15 PM
C
—

MEMORANDUM TO: THE PRESIDENT
FROM: Jack Watson *Jack* April 15, 1977
RE: Meeting with Ray Marshall at 2:15 p.m.
Today

I am attaching Ray's memorandum on the principal issue he wishes to discuss with you today--House markup of the minimum wage bill.

As Stu indicates, there needs to be more consultation--with Charlie Schultze, Stu, and, I believe, with Treasury and OMB--before the details of a compromise are decided. While I believe you can indicate some flexibility to Ray at today's meeting, I concur with Stu that Ray should not commit the Administration to any change of position until further consultation has occurred.

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for Preservation Purposes**

U. S. DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY
WASHINGTON

1977 APR 14 PM 8 34

MEMORANDUM FOR: THE PRESIDENT
FROM: RAY MARSHALL *R.M.*
Secretary of Labor
SUBJECT: Minimum Wage Bill

One item I wish to discuss with you at our meeting at 2:15 p.m. on April 15 is the minimum wage bill which is tentatively scheduled for markup in the House on April 19.

The Administration's proposal on the minimum wage bill was \$2.50 an hour on July 1, 1977 and annual indexing thereafter at 50 percent of straight time average hourly earnings. The Dent bill proposed a minimum wage at 55 percent of gross average hourly earnings (\$2.85) and annual indexing at 60 percent. The AFL-CIO is firmly committed to an immediate minimum wage of \$3 an hour and indexing thereafter at 60 percent of gross average hourly earnings. (The straight-time average hourly earnings index excludes premium payments for overtime and is currently about 20 cents less than the gross average hourly earnings index. Thus, the application of the same percentage to each index will result in wage rates 10-12 cents apart.)

The AFL-CIO has not yet indicated any compromise position. It is our information, however, that the Dent bill may be in trouble and that Dent would like to compromise and then proceed with full Administration support. Specifically, he has indicated that he would advocate a more moderate bill and has tentatively suggested a minimum wage at 52 percent of straight time average hourly earnings (\$2.65 on July 1) and indexing at 55 percent thereafter. He would also modify the bill's demand for the immediate repeal of the Act's "tip credit" (which permits employers to credit against their wage obligation tips received by the employees in an amount

760

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up to 50 percent of the minimum wage) and provide instead for a gradual phase-out of this provision by reducing the permissible tip credit over a period of years.

THE WHITE HOUSE

WASHINGTON

April 15, 1977

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
SUBJECT: Meeting with Secretary Marshall at 2:15 Today

Secretary Marshall has sent the attached memo regarding the minimum wage as background for your meeting with him today. I would make the following points:

- As you know, we had proposed an increase in the minimum wage from the current level of \$2.30 to \$2.50 on July 1, and indexing at 50% of straight-time hourly earnings thereafter.
- In your discussion with George Meany on April 6, he indicated that the level and indexing of the minimum wage should be based on the level of the minimum in the years in which Congress acted, rather than the average for all years. Although it may be a mistake to place too much stress on this comment, the average level of the minimum wage, measured in the years immediately following the nine increases since 1950, has been 53.5% of the previous years straight-time average manufacturing in wage.
- Secretary Marshall's memo to you indicates that Chairman Dent is eager to compromise with the Administration, and is tentatively suggesting an increase in the minimum wage from its current level to \$2.65 on July 1 and indexing at 55% of straight-time average hourly earnings thereafter.

These factors indicate possibility of reaching a compromise favorable to the Administration at an early time -- before battle lines are drawn in the Congress.

Recommendation

I would suggest that you ask Secretary Marshall to work with Charlie Schultze and me on recommendations for your consideration.

I would suggest that you ask the Secretary not to commit the Administration to flexibility until you have received and reviewed these recommendations.

THE WHITE HOUSE
WASHINGTON

April 16, 1977

Tim Kraft -

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

Re: Meeting with George Peppard

THE WHITE HOUSE
WASHINGTON

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

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next day

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	FOR INFORMATION
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	IMMEDIATE TURNAROUND

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	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE

THE WHITE HOUSE
WASHINGTON

F.Y.I.--Correspondents

Dinner is

Saturday, April 30th

LONG RIFLE PRODUCTIONS JE
PO BOX 1643
BEVERLY HILLS CA 90213

 **Mailgram**[®]
western union



2-032403E104 04/14/77 ICS IPMRNCZ CSP WSHB
2132740176 MGM TDRN BEVERLY HILLS CA 100 04-14 0244P EST

SC

PRESIDENT JIMMY CARTER THE PRESIDENT HAS SEEN,
WHITE HOUSE
WASHINGTON DC 20500

DEAR MR PRESIDENT,

SHERRY AND I WILL BE IN WASHINGTON FRIDAY APRIL 29TH. WE WILL BE
ATTENDING THE ANNUAL WHITE HOUSE CORRESPONDENCE DINNER AT THE
INVITATION OF JIM WOOTEN.

IF YOUR SCHEDULE PERMITS WE WOULD BE MOST PLEASED TO SAY HELLO TO YOU
AND ROSALYN. BEST REGARDS

GEORGE PEPPARD

14:44 EST

MGMCOMP MGM

*Tim - Let them
Come by Oval Office
to see me
J*

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

April 16, 1977

Z. Brzezinski
Frank Moore
Tim Kraft

The attached was returned in
the President's outbox and is
forwarded to you for your
information.

Rick Hutcheson

Re: Ft. Monmouth

THE WHITE HOUSE
WASHINGTON

ACTION	
FYI	
	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
<input checked="" type="checkbox"/>	MOORE
	POWELL
	WATSON

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER

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<input type="checkbox"/>	FOR STAFFING
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<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
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<input type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON
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<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	SCHLESINGER
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<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE

THE WHITE HOUSE
WASHINGTON

April 15, '77

MR. PRESIDENT:

HAROLD BROWN CALLED AT
4:35; WOULD LIKE FOR YOU TO
CALL BACK WHEN YOU CAN.

TK

done
Ft Monmouth - will look
at it personally
Surveillance Warrant - memo
on way



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for Preservation Purposes

THE WHITE HOUSE
SIGNATURE MUST BE SECURED

9:15 A.M.

TO: PERSONAL

DATE.....4/16/77

The Honorable Cyrus Vance
Secretary of State
Washington, D.C. 20520

NUMBER

TIME REC'D 9:35
4/16

RECEIVED BY W.H. Fawcett

DELIVERED BY S. T. Hecox
RICK HUTCHESON

RETURN RECEIPT ROOM ~~BY O. E. O. B.~~

THE WHITE HOUSE
WASHINGTON

PERSONAL
IMPORTANT

4-16-77

To Cy Vance

Please designate some-
one to prepare immediate
reply to foreign heads
of state, submit the
reply to you and then
directly to me. Delays
in the State Department
are appalling. I'm sure
you agree.

Jimmy

Pl. Mr. G. get the "good"
letter to me without
delay. Please check present
status of all such letters.

no copies
sent

THE WHITE HOUSE
WASHINGTON

**PERSONAL
IMPORTANT**

4-16-77

To Cy Vance

Please designate someone to prepare immediate replies to foreign heads of state, submit the reply to you and then directly to me. Delays in the State Department are appalling. I'm sure you agree.

Jimmy

P.S. Also get the original letter to me without delay. Please check present status of all such letters.

J

THE WHITE HOUSE
WASHINGTON

ACTION
FYI

<input type="checkbox"/>	MONDALE
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<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	MOORE
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<input checked="" type="checkbox"/>	WATSON

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<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE

THE WHITE HOUSE
WASHINGTON

April 16, 1977

Jack Watson

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

Re: Social Security Cards &
Welfare Abuses

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM TO: THE PRESIDENT

FROM:

Jack Watson
Jane Frank

Jack

April 13, 1977

RE:

Califano Memorandum on Social Security
Cards and Welfare Abuses

The attached memorandum from Joe Califano responds to five questions raised in your note to him of March 15.

Concerning Social Security cards, Joe points out that eliminating forgery will be an expensive and highly sophisticated proposition. He has estimated elsewhere that it could cost as much as \$500 million simply to reissue Social Security cards. You should also be aware that reissuance raises many civil liberties concerns--will the card become a national identifier?

A Cabinet cluster on undocumented workers, in which Jane Frank participates, is currently grappling with the issues involved in creating a secure worker identification system. Joe is an active participant in that effort. We suggest that we coordinate any decision on upgrading cards for welfare purposes with your decision on the policy recommendations of the cluster on undocumented workers.

ok
J

Attachment

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THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D. C. 20201

April 11 1977 APR 12 PM 7 26

C

MEMORANDUM FOR THE PRESIDENT

FROM JOE CALIFANO

Here is a status report on the five questions raised in your note of March 15.

Social Security Cards

With respect to the ease with which Social Security cards can presently be forged or altered, a first and necessary step is to upgrade the material used for the card. I have asked the Commissioner of Social Security to consider other paper stock and plastic material options and to recommend a new card format and forgery resistant material for backing on an urgent basis.

Unfortunately, such a change will not by itself eliminate the forgery problem. Without an expensive decision to provide sophisticated, electronic "checking devices" to government offices, banks and employers, however, a truly "tamper proof" card cannot be substituted for the present item.

For various reasons, it is, at present, exceedingly easy, especially for young people arriving at work age (15-18), to obtain a Social Security card. For young people in or out of school, present procedures do not even require formal presentation of a registered birth certificate, driver's license or other proof of identity. Moreover, as the result of a law that required individuals eligible for welfare to

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possess a Social Security card, the Social Security Administration depends upon state welfare departments to qualify millions of welfare eligibles for a Social Security number. These state agencies have widely varying evidentiary standards for determining personal identity.

In issuing cards, the focus of the Social Security Administration is not to check credentials carefully. From its point of view, the use of a Social Security card is to be eligible for insurance payments that are made on the basis of the work of the holder of the card and the taxes the holder has paid. There are changes that we can make to have the Social Security people require significantly increased levels of proof and do much more careful checking. But those changes are likely to be expensive in additional administrative people, in citizen irritation and in delay.

Multiple Welfare Benefits

As part of the welfare reform study, we should be able to reduce this kind of cheating through the Inspector General's office. A more systematic effort will be made and proposed in connection with the welfare reform proposals. A final report on this subject will be made as part of the welfare reform study.

Consultants and Conventions

To reduce the use of consultants and conventions by HEW we have begun:

- . to survey comprehensively recent and past practice regarding the need, use and cost of consultants and conventions;
- . to appraise critically the effectiveness and integrity of the Department's use of these arrangements;
- . to define as rigorously as possible the basis on which such arrangements will be appropriate in the future.

The results of that analytical survey will be available to me on May 15, and I expect to be able to announce new procedures on or before May 31 that significantly reduce the

use of consultants and conventions and severely tighten the conditions under which outside consultants and conventions will be authorized in the future. I will be reporting the details of the changes that we make at that time.

I have directed that the cost of each consulting report be printed on the cover along with the names of those who worked on the report.

THE WHITE HOUSE
WASHINGTON
April 14, 1977

The Vice President
Stu Eizenstat

The attach is forwarded to
you for your information.

Rick Hutcheson

Re: Califano Memo on Social
Security Cards and Welfare
Abuses.

THE WHITE HOUSE
WASHINGTON

April 16, 1977

Bert Lance
Hamilton Jordan
Jack Watson
Bob Lipshutz
Hugh Carter
Jody Powell

The attached was returned in the President's outbox. The memorandum to Departments was signed by the President and forwarded to Bob Linder for distribution. This copy is for your information and appropriate action.

Rick Hutcheson

Re: Discontinuing the painting of Oil
Portraits of Cabinet Secretaries

THE WHITE HOUSE
WASHINGTON

Mr. President:

Jordan, Watson, Lipshutz
and Hugh Carter concur
with Lance.

Rick



THE PRESIDENT HAS SEEN. 84/16/77
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

APR 12 1977

ACTION

MEMORANDUM FOR: THE PRESIDENT
FROM: Bert Lance *BL*
SUBJECT: Discontinuing the painting of oil portraits of Cabinet Secretaries

I. BACKGROUND

The practice of agencies to commission oil portraits of Cabinet Secretaries at Government expense provides an excellent opportunity for dramatizing your campaign against wasteful spending. My staff has investigated this matter, which was brought to our attention by Senator Percy. Past administrations have commissioned oil portraits at Government expense as a method of maintaining an official, historical record of the line of succession of Cabinet Secretaries. This practice began in the early 1800's.

II. OPTIONS

- 1) To continue using oil portraits for this purpose.
- 2) To discontinue using oil portraits and, instead, adopt the alternative recommended below.

III. RECOMMENDATION

A more reasonable alternative to this expensive (\$6,000 to \$12,000 each) practice would be to record the line of succession of Cabinet Secretaries with color photographs. This alternative is consistent with your commitment to save the taxpayer's dollars; the color photographs would cost less than \$600.

I recommend, therefore, that you instruct the Cabinet Secretaries to discontinue this practice and, in the future, to use color photographs to record the line of succession of Cabinet Secretaries. Should you agree, I have attached for your signature a memorandum from you to the Cabinet Secretaries.

Approve ☒

Disapprove ☐

Attachment

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Anyone who wishes to pay for a portrait may do so
J

*no more
seems high*

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR

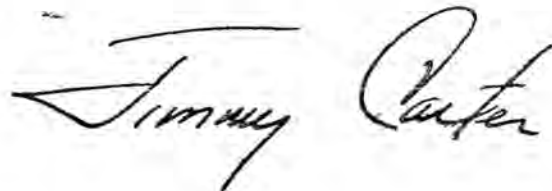
THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY OF TRANSPORTATION

The Office of Management and Budget has informed me of an outdated practice, that I believe should be discontinued.

As I understand it, past Cabinet Secretaries have commissioned oil portraits, at Government expense, as a method of maintaining an official, historical record of the line of succession of Cabinet Secretaries. Although the practice has existed for over a century, these portraits have become an unnecessary luxury costing anywhere from \$6,000 to \$12,000.

While this practice might have been justified in the past, color photographs to record the line of succession of Cabinet Secretaries appear more appropriate now. This alternative is consistent with my commitment to save the taxpayer's dollars.

I am sure you will agree that this is another excellent opportunity to convey to the American people our sincere desire to revise wasteful spending practices. Therefore, I ask that you discontinue this practice and in the future use color photographs to record the line of succession.

A handwritten signature in black ink, reading "Jimmy Carter". The signature is written in a cursive, flowing style with a large, prominent "J" and "C".

THE WHITE HOUSE
WASHINGTON

Date: April 13, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Bob Lipshutz *concur*
Jack Watson *concur*
Hugh Carter *concur*
Richard Harden

FOR INFORMATION: The Vice President
Hamilton Jordan *concur*
Jody Powell

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bert Lance memo 4/12/77 re Discontinuing the painting
of oil portraits of Cabinet Secretaries.

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: NOON

DAY: Friday

DATE: April 15, 1977

ACTION REQUESTED:

☒ Your comments
Other:

STAFF RESPONSE:

☐ I concur. ☐ No comment.
Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

ACTION	FYI
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
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<input type="checkbox"/>	VOORDE

THE WHITE HOUSE
WASHINGTON

4/12/77

TO: Rick Hutchinson

For Your Information: _____

For Appropriate Handling: ✓

RD

Robert D. Linder



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

APR 12 1977

ACTION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

Bert Lance

BRL

SUBJECT:

Discontinuing the painting of oil portraits
of Cabinet Secretaries

I. BACKGROUND

The practice of agencies to commission oil portraits of Cabinet Secretaries at Government expense provides an excellent opportunity for dramatizing your campaign against wasteful spending. My staff has investigated this matter, which was brought to our attention by Senator Percy. Past administrations have commissioned oil portraits at Government expense as a method of maintaining an official, historical record of the line of succession of Cabinet Secretaries. This practice began in the early 1800's.

II. OPTIONS

- 1) To continue using oil portraits for this purpose.
- 2) To discontinue using oil portraits and, instead, adopt the alternative recommended below.

III. RECOMMENDATION

A more reasonable alternative to this expensive (\$6,000 to \$12,000 each) practice would be to record the line of succession of Cabinet Secretaries with color photographs. This alternative is consistent with your commitment to save the taxpayer's dollars; the color photographs would cost less than \$600.

I recommend, therefore, that you instruct the Cabinet Secretaries to discontinue this practice and, in the future, to use color photographs to record the line of succession of Cabinet Secretaries. Should you agree, I have attached for your signature a memorandum from you to the Cabinet Secretaries.

Approve _____

Disapprove _____

Attachment

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR

THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY OF TRANSPORTATION

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Date: April 13, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Bob Lipshutz
Jack Watson
Hugh Carter ✓
Richard Harden

FOR INFORMATION: The Vice President
Hamilton Jordan
Jody Powell

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bert Lance memo 4/12/77 re Discontinuing the painting
of oil portraits of Cabinet Secretaries.

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: NOON

DAY: Friday

DATE: April 15, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

Date: April 13, 1977

MEMORANDUM

6

FOR ACTION:

Midge Costanza
Stu Eizenstat
Bob Lipshutz
Jack Watson
Hugh Carter
Richard Harden

FOR INFORMATION: The Vice President
Hamilton Jordan
Jody Powell

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bert Lance memo 4/12/77 re Discontinuing the painting
of oil portraits of Cabinet Secretaries.

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: NOON

DAY: Friday

DATE: April 15, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur.

☐ No comment.

Please note other comments below:

AD.

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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Date: April 13, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Bob Lipshutz
Jack Watson
Hugh Carter
Richard Harden

FOR INFORMATION: The Vice President
Hamilton Jordan
Jody Powell

1977 APR 13 PM 2 57

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TO THE STAFF SECRETARY BY:

TIME: NOON

DAY: Friday

DATE: April 15, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur.

☐ No comment.

Please note other comments below:

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Date: April 13, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat ✓
Bob Lipshutz ✓
Jack Watson
Hugh Carter
Richard Harden

FOR INFORMATION: The Vice President
Hamilton Jordan
Jody Powell

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SUBJECT: Bert Lance memo 4/12/77 re Discontinuing the painting
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TO THE STAFF SECRETARY BY:

TIME: NOON

DAY: Friday

DATE: April 15, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur.

☐ No comment.

Please note other comments below:

MNH

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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Date: April 13, 1977

MEMORANDUM

4/13

FOR ACTION:

Midge Costanza
Stu Eizenstat
Bob Lipshutz
Jack Watson
Hugh Carter
Richard Harden✓

FOR INFORMATION: The Vice President
Hamilton Jordan
Jody Powell

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bert Lance memo 4/12/77 re Discontinuing the painting
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TIME: NOON

DAY: Friday

DATE: April 15, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur.

☐ No comment.

Please note other comments below:



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THE WHITE HOUSE
WASHINGTON

Frank
do not copy highlights
comments

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
X	LIPSHUTZ
	MOORE
	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
X	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

X	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
X	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

April 7, 1977

To Press
cc: Tim
36.9
J

MEMORANDUM FOR THE PRESIDENT

FROM: Frank Press *FP*

Last week you asked me to let you know which staff meetings I think I should participate in. I submit for your approval the following:

1. Energy *ok*
2. ~~National Security Council~~ and Policy Review Committees, *ok*
when subject matter contains technological elements. Dr. Brzezinski is in general agreement but only you can extend the invitation.
3. Regularly scheduled senior staff meetings which you attend when issues such as health, environment, natural resources, water resources and dams, disasters and education are under consideration. *ok*

Two US-USSR working groups were established during the Moscow SALT II talks:

1. The Working Group on the comprehensive test ban. The technological aspects (verification, weapons development, legitimacy of PNE's) have a history of interagency conflicts and your Science Adviser is an appropriate agent for resolving these if possible, or laying out the issues for you if not. This is an area which I have personally followed for over 15 years. *Can review & comment to me on memos*

2. Anti-Satellite Working Group. My office (OSTP) has been evaluating potential military aspects of advanced space technology on assignment from the NSC. I have been using a panel of outside university and industrial experts to provide a technically sophisticated, independent point of view. *ok*

I would like to maintain liaison with those developing US positions in these two areas.

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

April 13, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT J. LIPSHUTZ

SUBJECT: Frank Press -- His Memorandum of
April 7, 1977

I urge that you not agree to all of the proposals submitted in this memorandum, based upon my own judgment and also my review of these matters with Dr. Brzezinski. Prior to Dr. Press' sending you this memorandum, he had discussed these matters with Dr. Brzezinski and they have exchanged memoranda; you obviously might wish to review this situation with Dr. Brzezinski before reaching a final decision.

I see no concern with Dr. Press attending all staff meetings relating to the energy program and Senior Staff meetings. However, with reference to the NSC meetings, I suggest that he attend only Committee meetings, to wit, the NSC's Policy Review Committee's meetings, when subject matter contains significant technological elements and only when invited by Dr. Brzezinski or yourself.

With reference to the U. S.-U. S. S. R. working groups, I suggest that you not accept the suggestion concerning "The Working Group on the comprehensive test ban," and particularly with reference to delegating Dr. Press as the agent for "resolving" and "laying out" the issues. Instead, I suggest that you authorize him to consult with this group when requested.

There seems to be no concern about accepting his proposal relating to the "Anti-Satellite Working Group."

Handwritten signature: *W. Schick*

MEMORANDUM

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Frank Press memo 4/7 re Staff meetings.

TIME: 1:00 P.M.

DAY: Monday

DATE: April 11, 1977

 X Your comments

Other:

___ I concur.

 No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

*Franklin Press memo
4/7 re Staff
meetings.*

ACTION	FYI
<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	JORDAN
<input checked="" type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	MOORE
<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input checked="" type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HOYT
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LANCE
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	B. RAINWATER
<input checked="" type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE

THE WHITE HOUSE

WASHINGTON

April 7, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Frank Press *FP*

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3. Regularly scheduled senior staff meetings which you attend when issues such as health, environment, natural resources, water resources and dams, disasters and education are under consideration.

Two US-USSR working groups were established during the Moscow SALT II talks:

1. The Working Group on the comprehensive test ban. The technological aspects (verification, weapons development, legitimacy of PNE's) have a history of interagency conflicts and your Science Adviser is an appropriate agent for resolving these if possible, or laying out the issues for you if not. This is an area which I have personally followed for over 15 years.

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I would like to maintain liaison with those developing US positions in these two areas.

THE WHITE HOUSE
WASHINGTON

April 13, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT J. LIPSHUTZ

RJL

SUBJECT: Frank Press -- His Memorandum of
April 7, 1977

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There seems to be no concern about accepting his proposal relating to the "Anti-Satellite Working Group."

*1 concur:
R.B.*

THE WHITE HOUSE
WASHINGTON

April 16, 1977

Jody Powell -

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

Re: Editors Briefings

THE WHITE HOUSE
WASHINGTON

ACTION	FYI
<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	MOORE
<input checked="" type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON

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<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
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<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

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<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
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<input type="checkbox"/>	HUTCHESON
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<input type="checkbox"/>	KING

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<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	POSTON
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<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE

Carter hopes to instill people with energy saving awareness

by GEORGE J. MEASER, Publisher

Energy, the drought in the western part of the country, construction of dams and election reform came under close scrutiny last Friday in Washington as President Jimmy Carter talked to 28 newspaper and TV representatives during a second "on-the-record" news briefing in the White House.

"For the short term" said Carter, "we hope to initiate an immediate consciousness in the American people for a need of energy conservation."

William E. Branen of the Burlington (Wisc.) Standard Press and I were the first weekly newspaper publishers selected to participate in the briefing. The day was spent in briefings and questions and answers in the Old Executive Office Building. Lunch was a ham sandwich.

Intergovernmental relations and drought relief were covered by Jack Watson, assistant to the President and Cabinet Secretary, along with Tom Dunne, who is the administrator for Federal Disaster Assistance Administration. The Energy Reorganization was covered by Dr. James Schlesinger, Assistant to the President for Energy. Election Reform was discussed by the Chief of Staff of Vice President Mondale, Ri-

President is an impressive man, easy to talk with and completely relaxed. With a mind that can recall figures and problems instantly, he answered questions freely and in depth."

When asked if the nation will be prepared next year for a gas shortage, the President said:

"I can't guarantee we will be prepared for several reasons. Much depends on the Congress response on April 20 to energy proposals and the expedient approval of a Department of Energy."

The President said he is

the best investments is to keep the gas and oil in the ground and to quit wasting what is produced."

When asked about the grossly complicated IRS forms for individuals this year, the President stated that the 1977 form will be much simpler.

"If I don't do that, then I will have broken my word and I don't intend to do that," said Carter.

The Minimum Wage recommendation of \$2.50 per hour, plus indexing of the wage scale in the future, recently proposed by the Administration, was also questioned. Asked about his philosophy and if union leaders were consulted in advance about the rate, the President responded:

"No, the unions were not consulted, only my staff. The minimum wage level slowly dropped over a period of years compared to the cost of living. A substantial increase of minimum wage to bring the low wage earner

study of the dams to be built around the nation. Mr. Carter seems firm in his objective review of the national water projects as well as his energy conservation programs.

Dr. Schlesinger, in his earlier discussion, said "the basic issue with regard to energy is not the novelty of ideas . . . the basic issue is whether the U.S. is serious and will be serious about the energy problem."

By the year 2010, with a 5 per cent growth rate, all known oil reserves will be depleted. Even with a slow down of usage, the year 2015 would see the last of the oil.

"The disproportion (coal to oil) of the resources that we have and the existing pattern of use, is the major problem the U.S. faces," said Schlesinger.

The soft-spoken energy head said the plan is not to change suburban living habits by abandoning the individual mobility in the



'Jimmy Carter seems to be a man at peace with himself'

.....A mid-west editor

larly on new construction." Fuel efficiencies must and will be made in all buildings, new and old, homes and offices, he added.

Don Postles of Channel 7 and Cameraman Sam Brunetto asked Jack Watson and Tom Dunne about the Food Stamp program following the Blizzard of '77.

Dunne said: "We will never get caught in this bag again because some people really didn't have a demonstrated need and were getting a free ride. As a result, the whole Emergency Act is being studied."

"New York State legally interpreted the regulations as loosely as possible. Part of the fault was the way the Federal regulation was written."

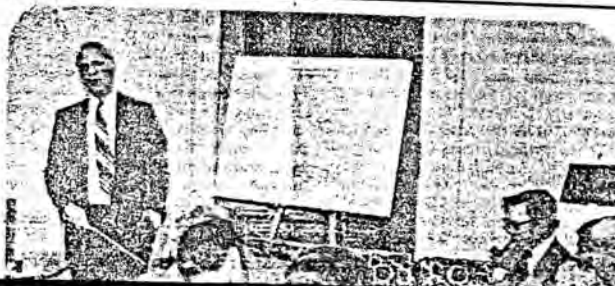
"We can't legislate how people react to situations," said Watson, Cabinet Secretary. "Part of the abuse lies with the abusers. It is so easy to target the Federal Government for everything abusive, for stupid regulations, for inept applications or whatever."

"There are people in Buffalo who abused dishonestly with a lack of integrity, responsibility, aid that was coming in a bona fide way. State, local, and federal officials share responsibility. But the primary responsibility lies with the folks who abused the program."

In talking about the over-

The energy plan is not to change suburban living habits.'

The basic issue is whether



Charles Moore.

After the interview with the President, Katherine Schirmer discussed the Carter Administration water projects review along with Chris Farrand, Acting Assistant Secretary of the Department of Interior.

Our group met with the President in the Roosevelt Room of the West Wing of the White House. This is the small room that Franklin Delano Roosevelt used as a Gold Fish Room. The room is adorned with paintings of Teddy and Franklin Roosevelt.

"Jimmy Carter seems to be a man at peace with himself," said one editor after the interview. "The

the U.S. is serious about the energy problem.'

In his soft spoken manner, Dr. Schlesinger talks on the energy problem.

going to do "all I can" to transfer industrial gas users to coal.

"We hope to initiate changes in the law that will force conservation," he said. "I am not in favor of a crash program to extract from our own resources additional rates of production of gas and oil. One of

up to where they should be would be quite a shock to the economic system and would create a great deal of political confusion and animosity."

During the 45-minute interview and informal conversation, the questions came back again and again to the drought and the re-



all legislative program and White House policy decisions, Watson stated that "a lot of time we have to spend talking when we would like to be thinking. We need to spread as much as possible the responsibility for thinking to all levels of government."

I was impressed by the sincerity of the staff people we met and their dedication to the job of government, particularly to the job of communicating with the American public. Although I was not in agreement with many of Carter's proposals, his obvious knowledge and complete control gave a sense of "getting the job done."

form of automobiles.

Rather, he said, it will be constraints on the size of engines and a hard line on insulation of homes and offices.

"We are not going to have a sudden, radical change in the standards of American life but it is going to require a major change in percep-

tions and in the way we do business," he said. "No more tall glass and steel buildings that consume power and oil.

"Public utilities are required to hook up homes. It will be the responsibility of either the homeowner or the public utility to make sure of proper insulation, particu-



President Carter discusses the nation's problems during the press meeting.



Amherst resident Don Postle of Channel 7 News talks with President Carter.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN.

April 13, 1977

To Jody from Walt

Now that the President has met three times with editors from outside Washington, he may be interested in the positive coverage these sessions are getting. The editors are, uniformly, impressed with the President and with those of his staff who brief -- and they say so in what they write.

When he finishes briefing the editors this Friday, the President will have met with 112 editors and news directors from more than 100 cities and towns in 36 states.

Mr. President-

These things are really
paying off. If you don't need
convincing, don't bother reading
this.

Jed

You were
right.
J

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OPY 20
MARCH 9

Washington Report

Carter Economists Confidently Look To Improving Year

By James O. Powell
Editorial Director

President Carter's leading economists and administrators are looking to 1977 with complete confidence in the national economy and in their own ability, with a Democratic Congress, to steer it onward and upward to better levels of performance.

This sense of assurance in the new administration is one of the strongest impressions to be gained in a long day of briefing, of questions and answers, in the executive offices and the White House. The first of such briefing sessions for regional editors was held last week under auspices of the White House press office. Selected editors and news directors were invited from 22 cities representing something of a cross-section of the country, from Seattle to Atlanta.

The aura of confidence enveloping Carter's decision-makers is not necessarily unique but it is peculiar, in a sense, to a Democratic administration that has just come to power via the election box. These men around Jimmy Carter are winners and, as national Democrats, they are activists. While Republicans tend to leave things alone, if you put a fresh Democratic President in office he and his lieutenants proceed on the assumption that the country will be better off soon and, if it isn't, why, they will just confront any economic problem that arises and rattle it to the ground.

★ ★ ★

In the day's briefings—interrupted only by a frugal Carter-style lunch, consisting of a ham and cheese sandwich—the editors heard Bert Lance, head of the Office of Management and Budget, one of the most influential men in Carter's government; W. Bowman Cutter, executive director for the budget; Lyle Gramley, member-designate of the Council of Economic Advisers; Dave Rubenstein and Bertram Carp, deputy assistants to the President for domestic affairs; Harrison Welleford, associate director for government reorganization; and Midge Constanza, assistant to the President for public liaison. The finale was a half-hour meeting with Jimmy Carter, a news conference in which the President answered questions covering a broad sweep of national and international affairs.

As ever, it was the economic expectations and the forecasts that grabbed attention in the briefings.

To begin with, the administration has reached the calculated conclusion that the January weather, ravaging as it was, will have only minor impact on the economic performance for the year. The business resurgence will just be delayed a little while.

In projecting economic growth, the administration is looking for a growth rate rising from last year's 3.8 per cent to an annual 5.5 per cent, on average. A rate above 5 per cent is the kind that will reduce sharply the high rate of unemployment, it is believed.

Anticipating some early relief in unemployment, the administration expects the jobless percentage in the work force to be down to 6.75 by the year's end, compared to 7.5 currently.

Finally, in looking to a good year, Carter's economic managers do not expect immoderate price pressures even with the anticipated \$68 billion deficit in the federal budget. (Democrats regard deficits with concern but accept other major factors in the force of inflation.) Industrial capacity is regarded by the administration as ample, and an expected increase in private credit is not considered much of a threat, inflation-wise.

In the summing up, the administration's outlook is bright. It is unclouded by the expectation of either an economic slowdown or sharper inflation.

★ ★ ★

The outlook on inflation has been questioned rather more widely than have the predictions for a business upturn but the administration, nonetheless, has been disavowing even the thought of wage-price controls. This is clearly an exercise in child psychology, both for the benefit of the tempestuous George Meany and for the benefit of the notoriously moody business community. It also suggests, however, the present dominance of Bert Lance, the Georgian, in the counsels of the President. Carter's economic troika is Lance, Charles Schultze, chairman of the Economic Advisers, and Secretary of the Treasury Blumenthal.

Listening to Lance talk about wage-price controls, one is reminded that he is the more conservative member of Carter's economic threesome. Indeed, his claims against wage-price controls are extravagant. Not only does Lance disavow any thought of resort to mandatory controls of any kind, he claims that they never have worked. In this con-

text he sounds exactly like the banker that, of course, he is.

In actuality, a persuasive case can be made that wage-price controls worked not only in wartime but in peacetime, pretty well, too — most recently in the first term of Richard Nixon, who got the economy out of trouble in 1971 with a combination of business stimulants and wage-price controls.

For the present, however, it is plainly Vance's reflexive view of wage-price restraints that is dominant in the White House. It is safe to predict that Lance's view will remain dominant just as long as the wage-price spiral allows.

★ ★ ★

Although Bert Lance has some pretty conservative instincts, he is one of the advocates of the Carter package which has \$31 billion of tax cuts and expenditures for the next two years. Indeed, if anyone has missed the point, John Maynard Keynes is back in fashion in Washington and the great Milton Friedman is out in the cold.

The change of economic helmets, as it were, was implicit in remarks made by Cutter, the budget man, in defense of the tax rebate. Cutter noted that Friedman, the monetarist and lion of the Republican right, had pooh-poohed the administration's developing tax rebate; then Cutter went on to say that the rebate of 1975 had had the intended effect, which was stirring the economy out of the doldrums.

Later, Gramley, a brilliant economist for the Federal Reserve (one who doesn't agree with Arthur Burns, the chairman) was asked from the audience of editors if this administration might share the famous observation of Richard Nixon in 1971 right after he (Nixon) had pushed Milt Friedman overboard. Nixon remarked then, "We are all Keynesians now"—even as he proceeded to initiate stimulative tax cutting and wage-price restraints, key weapons in the Keynes arsenal.

Gramley's response was in the affirmative, confirming that Keynes' well known principles are welcome enough in this administration.

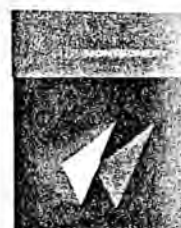
As it was in the case of Richard Nixon, President Carter as a practicing politician does not dare gamble on Friedman's laissez faire theories.

Indeed, Friedman's Nobel Prize, along with 30 cents, will get him a cup of coffee any day in Jimmy Carter's Washington.

★ ★ ★

Footnote: A Southern newspaperman visiting the White House for the first time in the new administration can hardly fail to be swept up, at least momentarily, by the Southern character of this administration.

It is a potentially insidious influence upon the judgment, for even the most renegade of Southerners has a streak of the regional chauvinism. Just a few minutes in the company of Jimmy Carter, Jody Powell and Bert Lance, Georgian to the core, lends itself to the heady feeling that "we" have made it after a hundred years—and the awareness (as they say) that it is "they," not we, who have the accent now.



MONTGOMERY PUBLISHING *Company*

GENERAL OFFICES—PRODUCTION CENTER

OMMERCE DRIVE FORT WASHINGTON PENNSYLVANIA 19034

March 9, 1977

President Jimmy Carter
The White House
Washington, D.C.

Dear Mr. President:

I was one of the group of 22 editors and news directors who had the privilege of meeting with you and attending the full day of briefings March 4 with members of your Administration. It was a most enjoyable and instructive day, giving me an insight and appreciation for your objectives and direction that I could not have obtained second-hand.

I am pleased that you are committed to 20 of these sessions a year and feel they will be most valuable as part of your effort to keep in touch with the people — as well as keeping the press and the country more in tune with your Administration and where it is going. It should help forge a better relationship between government and the people, an essential step for our mutual progress.

I appreciated not only the opportunity to question and hear from you and your assistants, but the capability and commitment of all I came in contact with. The briefings were extremely well run, and as a first time operation, the scheduling, punctuality and willingness to be of assistance was most impressive.

I had the opportunity to be in the Nixon White House some years ago and was struck — but not surprised — by the new atmosphere you have created. The warmth, the openness, the sense of mission and commitment to the people are most inspiring. (Enclosed are my reactions written up for our two daily newspapers, Today's Post and Today's Spirit in suburban Philadelphia.)

Thank you very much for instituting this program of briefings, which I feel will pay dividends for your Administration, for the press, and ultimately for the people and the country. I came away from this day with considerably more insight, understanding and confidence, as well as a keep appreciation and admiration for the leadership you are providing for our nation.

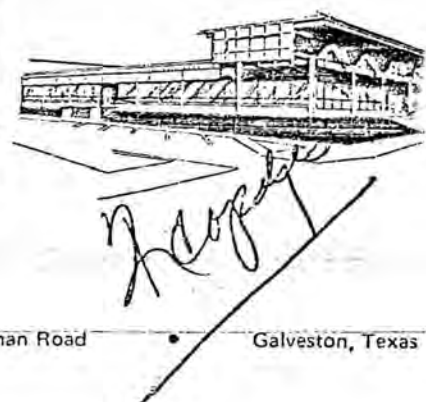
AMBLER GAZETTE - TODAY'S SPIRIT - TIMES CHRONICLE - SOUTHAMPTON SPIRIT - MONTGOMERYVILLE SPIRIT - GLENSIDE NEWS - WILLOW GROVE
GUIDE - SPRINGFIELD SUN - THE GLOBE - TODAY'S POST - CHESTER COUNTY POST - MONTGOMERY POST - WARMINSTER SPIRIT - FEASTERVILLE SPIRIT

Sincerely, *Bruce Henderson* Bruce Henderson/Editorial Page Editor

The Galveston Daily News

Texas' Oldest Newspaper, Established in 1842
Published by Galveston Newspapers, Inc.

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Les Daughtry, Editor & Publisher

Gulf Freeway at Reichman Road

Galveston, Texas

March 30, 1977

JP

Honorable Jimmy Carter
President of the United States
White House
Washington, D. C.

Dear President Carter:

Several weeks ago THE GALVESTON DAILY NEWS was fortunate enough to be included in the first group of newspapers to receive special briefings by Press Secretary Jody Powell and his capable staff.

THE GALVESTON DAILY NEWS was represented by my managing editor, Brad Messer.

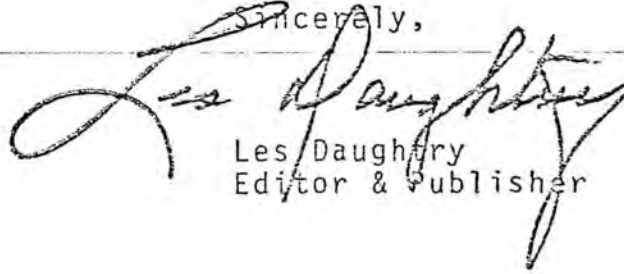
The purpose of this letter is to express my appreciation for inviting us to the briefing, but more importantly, to express my sincere gratitude and appreciation to you for the dynamic and imaginative leadership you are providing the nation at this time.

Frankly, I did not editorially support you in the recent election, but have been most favorably impressed with the manner in which you are leading our nation and do look forward to supporting you in the future.

Your press staff is doing an outstanding job of communicating with the American people.

Again, my sincere thanks and appreciation and my pledge
of support to you and your entire administration. 11

Sincerely,

A handwritten signature in cursive script, reading "Les Daugherty". The signature is written in dark ink and is positioned above the printed name and title.

Les Daugherty
Editor & Publisher

LD/sm

Now we know who he is

By Jim Squires

WASHINGTON—Deep in the heart of every Southerner who voted for Jimmy Carter lived the fear that he would go up north and embarrass his homeland.

No one really worried about the little things like his wearing a golf shirt to Cabinet meetings, licking his fingers at a state dinner, or having a brother who lives on Pabst Blue Ribbon. No, sir, the real concern was a big one—that he would be a liberal.

For his first few hours in office, it was touch and go. His first act was the pardoning of draft dodgers. But after 60 days, all is well. It appears Jimmy Carter has decided to become a statesman instead.

THE WORST possible indignation the South could have suffered would have been for the man who beat George Wallace and Gerald Ford in Dixie to go to Washington and turn out to be a George McGovern in overalls. Such fears were justified.

All through his political career in Georgia, Carter had—in the words of some friends—"talked funny." Not funny ha! ha!, but funny liberal. Carter's fiscal policies were conservative. He didn't smoke dope, hang around with labor unions or tolerate anybody more radical than Hamilton Jordan and the president of Coca Cola.

But his talk was often wild, such as kind words for Martin Luther King Jr. or the Civil Rights Act. When Carter started running for President, he got worse—sometimes even praising Leonard Woodcock and Ralph

Jim Squires, former chief of the Tribune's Washington bureau, is editor of the Orlando Sentinel-Star.

Nader or promising to sign legislation repealing right to work.

But like many great Southern politicians, Carter proved a master of disguise, successfully defying all categorization. When he finally took the oath of office in January, no one really knew what they had elected.

After two months in office, it is quite apparent that Carter will attempt to govern no differently than he ran. And what you have is not a liberal or a conservative, it's a statesman.

Every politician wants to be a statesman, and most of them have tried. But a close look at our history shows that only a few succeeded.

With the possible exception of Abraham Lincoln, they were all men who accomplished very little but became very popular doing it. Toward this Carter is off to a great start.

BASICALLY Carter's strategy appears to be that of his predecessors, including Richard Nixon and Gerald Ford: keep the country occupied with his foreign policy successes; set the Congress up to take the rap for any domestic failures, and finally establish himself in the minds of everyone as the greatest inspirational leader in the nation's history. Only this guy just might do it.

Look at the record. In only eight weeks in office,

Continued on page 24

The worst possible indignation the South could have suffered would have been for the man who beat Wallace and Ford in Dixie to go to Washington and turn out to be a George McGovern in overalls.



Don Wright, Miami News

Chicago Trib 4/3
also: Orlando Sentinel-Star.

Now we know who Carter is

Continued from first Perspective page

Carter has dominated the world headlines by tossing into the air every foreign policy ball in the White House closet. These included a verbal battle over human rights with the Soviet Union, a new peace initiative in the Middle East, an economic summit in London, trade disputes with Japan, new relations with Viet Nam and the extension of a friendly hand to Cuba.

For a neophyte in international diplomacy, he has quickly established himself in the area where statesmen are most likely to flower. Not only is foreign policy more fun, it's a safer place to play from the standpoint of domestic fallout.

Anybody who thinks Carter does not know what he's saying and doing just isn't watching closely. He may be gambling and he might lose. But every move so far

*Anybody who thinks Carter
does not know what he's
saying and doing just
isn't watching closely.*

has been elaborately planned. Most have "statesmanship" written all over them in Carter's new "candid" diplomatic handwriting.

First of all, who can oppose or even effectively criticize the free world's No. 1 spokesman for speaking out in favor of human rights and portraying the Soviet Union as the world's No. 1 villain?

On the Middle East, Carter has said nothing publicly that every world leader hasn't acknowledged privately for years—that the Israelis will have to give up something if they are ever to achieve peace and security in the Middle East.

"The President's statements have been carefully designed to educate everybody to the true facts the leaders have always known," confided one Carter aide last week. "How can you lose?"

The same kind of thinking can be found behind almost every Carter move abroad. His initiatives are those of the good guy. Statesmen open up relations, not break them off. They promote arms reductions, not arms races.

MEANWHILE, CARTER has been padding the home turf for a soft landing in preparation for any number of domestic failures which loom in his future. Like any smart President, he ended the honeymoon with Congress quickly, first by ignoring it and then by tampering with its prized public works water projects.

Every statesman needs a goat to blame for things he cannot possibly do. In anticipation that he will not be able to keep his campaign promises to beat inflation and unemployment at the same time, Carter has effectively set Congress up as the fall guy.

In the end, Carter's success will depend on the ability to build his own image. Statesmen are known less by what they did than by the public perception of what they did.

So far Carter has proved a master. Having begun many undertakings and finished none, Carter is already enjoying a giant surge in popularity.

From the minute he came to town, Carter and his cadre of young strategists have been largely ignoring the Washington press corps, which has the reputation as the nation's most effective imagemaker — or breaker.

It's much easier, they reason, to just go over the head of the Washington press corps to the folks back home.

ONE OF THE most effective tools of getting around

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*Statesmen are known less by
what they did than by the public
perception of what they did.*

the national press is to bring the local press to Washington, something Carter is into in a big way.

In a remarkably deft stroke, Carterites have begun shuffling newspaper editors and broadcast news executives from the hinterlands into the White House for private chats with the President and top level advisers who are not so readily available even to the Washington regulars.

In a typical show last week more than 30 out-of-town newsmen were feted to an hour each with presidential aide Jack Watson and energy boss James Schlesinger, a cold cut lunch with Vice President Mondale's chief of staff, Richard Moe, and finally a Roosevelt Room chat with the man himself.

The purpose of the sessions is not to make news, but those in attendance seldom realize it. Unless a reporter works in Washington and religiously pays attention to what is being said, it is impossible to know when a top aide, or even the President himself, is saying something new.

Nonetheless, all that is said and done is kept from the Washington press corps under a 24-hour embargo, assuring the "guests" of "exclusives" for the folks back home. While the sessions do provide a rare and valuable opportunity for the "provincial press," it also provides the administration with a guaranteed outlet for the White House view on the front pages and television screens out in voting land where it counts the most.

NO MATTER how sharp or experienced a reporter might be, a summons to the White House and a meeting with the President is an impressive event.

At last week's session, Watson's lecture on how the federal government works was continually interrupted by a stream of television cameramen who entered to take first Watson's picture and then that of their boss seated attentively at his feet. The same routine marked the 45-minute session with Schlesinger.

It was a slick production, far superior to anything put together by the Ford or Nixon administrations. Watson, for example, was dazzling, calling the out-towners by their first names and offering carefully programmed responses that sometimes bordered the absurd.

During a hard sell of administration coal policy, Watson was questioned by a reporter who identified himself as being from Pennsylvania.

"Pennsylvania," said Watson mechanically, "third largest coal producer in the nation."

Carter himself made clear the goal of this program during his session with the visitors.

ASKED HOW the nation might avoid another disastrous encounter with bad weather and inadequate fuel supplies, Carter said he did not know. But the success of his energy policy, he told the visitors, will depend on its acceptance in Congress.

His policies will only prevail, he said, "if the people back in your communities think they're good."

Long after the press session was over, Carter remained in the Roosevelt room to mingle with the visitors, many of whom were showering him with compliments and thanks for the opportunity to visit.

Meanwhile, a nervous Zbigniew Brzezinski, Carter's chief national security adviser, paced nervously in a hallway outside waving a sheet of paper at the surrounded President.

Brzezinski just had to wait. Carter had his priorities in the right order.

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THE ASSOCIATION

Canada Gas Pipe Pact Near—Carter

From Page A-1

suggested limiting the use of natural gas to homes and the production of raw materials.

Carter said this nation must do a better job of using its coal reserves.

But he also said he would adhere to his campaign commitment to deregulate natural gas.

"I would like to combine deregulation with a prohibition against excessive profits," he said.

The administration is supposed to determine by September 30 how natural gas will be transported out of Alaska. The President said he expects to have a decision by that time, although he can, if he desires, obtain a 60-day extension of the deadline.

He was emphatic on two other issues — his decision to curtail 19 water resource projects at home, and his hope of reducing arms sales abroad.

Asked about the deletion from his budget of money for the 19 water projects, Carter said it is his personal judgment that "none of those projects is worthy . . . and they ought not be completed."

He said he ruled out the projects on the basis of their economic and environmental impact, and the fact they might be hazardous because of earthquakes.

The President said his deletion of the projects from his budget, which has stirred a storm of political con-

troversy, was "not a decision lightly made. Somebody's got to bite the bullet and say this must be done."

Carter said he is taking a hard look at the sale of American arms to foreign countries. Wherever Secretary of State Cyrus Vance went on his recent trip through the Middle East, Carter said, "there was a unanimous statement by every head of state, 'we're spending too much on arms.'"

The President said he had asked leaders of the Soviet Union, Great Britain, France and West Germany to join the United States in limiting the sales of arms to other countries, and that he had had favorable responses from all of them.

While agreement has not been reached, Carter said, he thinks the United States can get the other nations to join in cutting back on arms sales.

If this is done, he added, money now spent on arms could be used to much greater advantage in other countries to aid the people who live there.

Carter's meeting with the newspaper and radio-television executives was the first in a series of such conferences. It is his intention to invite other such individuals from around the nation into the White House every other week for a briefing by government officials and a on-the-record press conference with the President himself.

Seattle Post-Intelligencer - Saturday -
3/5/77
Canada Gas Pipe

Pact Near—Carter

By ROBERT E. THOMPSON
P-I Editor and Publisher

WASHINGTON — President Carter indicated yesterday that the United States and Canada are near agreement on plans for shipment of Alaskan natural gas — and possibly Alaskan oil — across Canada into the Lower 48 states.

The President said he will go before Congress about April 20 to lay out a comprehensive energy program, and that he intends by September 30 to determine the route to be followed by a natural gas pipeline from the Alaskan North Slope.

Talking in the White House with a group of 22 newspaper editors and publishers, and radio and television news directors from around the nation, Carter said he and Canadian Prime Minister Pierre Trudeau had had extensive discussions about the shipment of Alaskan oil and gas across Canada.

The President also reported that his chief energy adviser, James Schlesinger, and Canadian Energy Minister Alastair Gillespie had met yesterday to "probe further agreement with Canada," on the transshipment of oil and gas. (See story, Page A-2).

"We now have an improving relationship with Canada," said the President, who met in Washington two weeks ago with Trudeau.

One of the possible routes for shipment of Alaskan oil — if it is not moved by tanker into Puget Sound or Los Angeles harbor — is a pipeline from Kitimat, B.C.

Likewise, two trans-Canadian routes for transportation of Alaskan natural gas are under consideration in addition to the possibility of transporting the gas in liquefied form by ship into Washington or California.

While the President said he will consider all possible options, he strongly indicated that Canada will play a major role in moving natural gas, and possibly oil, out of Alaska.

Carter also said the United States must adopt mandatory energy conservation measures because the depletion of oil and natural gas reserves is inevitable. Those procedures, he said, will be implemented by the proposed new Department of Energy, which Schlesinger is slated to head.

The President questioned the need for expanded production of oil and natural gas in the United States. He

Back Page, Column 3

Since the Committee far exceeded the amount available, the afternoon's work didn't mean much. Now, it still will have to adopt priorities among all the appropriations it approved and the few remaining ones that it probably will have to throw in next week to determine which will get the \$12 million or so.

"We're right back where we started from," Senator Robert Harvey of Swifton, co-chairman of the Committee, declared at the end.

Calls It Crazy

It was a bewildering experience for the Committee's newest member, Representative Walter M. Day of Blytheville, who was innocent of the Committee's ways.

"This is the craziest thing I ever heard of," Day raged after Representative Ode Maddox of Oden moved to approve \$5.2 million in park projects — all of the 37 projects requested by the state Parks and Tourism Department. "I move we adjourn."

The Committee didn't adjourn, but Day's outburst had two results. Maddox changed his motion to reduce the parks projects to the 19 (\$3 million) that Governor Pryor had endorsed — and that passed. Day, joining the early spirit of austerity, had reduced his request for \$392,000 for some construction at a cotton experiment station at Kaiser, near his hometown, to \$200,000. The Committee, which had insisted that he lower the figure to \$200,000, mollified Day by insisting then that he raise it to \$392,000 again.

Day did, but he left in disgust not long afterward.

Pryor's Budget

Governor Pryor had submitted his construction budget to the Committee several weeks ago. Mr. Pryor had pared all the requests down to about \$16 million.

The Budget Committee's \$37 million included about everything in the governor's program.

The Budget Committee approved about \$3,850,000 in new construction funds for the state prisons, about a fifth of what prison officials would like to have.

After the Budget Committee (See COMMITTEE, Page 3A.)

President Insists 19 Water Projects Shouldn't Be Built

By JAMES O. POWELL
Of the Gazette Staff

WASHINGTON — President Carter reaffirmed in the strongest terms Friday his opposition to 19 controversial water projects that he has removed from the list recommended for federal funding.

The 19, which include the Cache River channelization in Arkansas, would cost an estimated \$5.1 billion during the course of their development.

The president said that "my own judgment is none of these projects is worthy and none should be continued. The 19 should not be built."

In this fashion, Mr. Carter joined issue with congressional sponsors who are fighting to have the projects funded. These include Representative Bill Alexander of Arkansas, a proponent of the controversial Cache program, and Representative Morris Udall of Arizona, who has been critical of Mr. Carter for disapproving a massive water project in Arizona.

Meets Editors

The president's remarks were made in the course of a wide-ranging conference in the White House with 22 editors assembled from a cross-section of states and regions reaching from West Virginia to California. It was the inauguration of a program in which Mr. Carter proposes to discuss issues regularly with newspaper editors outside the East Coast metropolitan centers.

Mr. Carter qualified his remarks on the water projects by saying that the final decision on appropriation was, of course, with the Congress, and he said that he could change his mind if it were shown that a project had no serious environmental consequences and that it had an acceptable ratio of costs and benefits. A 60-day review of the whole water program is underway.

The thrust of his remarks, nonetheless, was that he means busi-

Layoffs Raise Jobless Rate

WASHINGTON (AP) — Factory layoffs caused by fuel shortages helped push unemployment to 7.5 per cent of the labor force in February.

Though unemployment increased from January's 7.3 per cent rate, there were signs of economic strength in the February jobs report.

Total employment increased by 400,000 and the average length of unemployment declined from 15.5 weeks in January to 14.7 in February, the lowest in 21 months.

ness in saving money and avoiding environmental damage. He said the proposed expenditures would be a "gross waste of taxpayers money in some instances," adding: "In my opinion, several of these projects should not be built if they were free."

'Bite the Bullet'

"Somebody has to bite the bullet" in controlling this kind of expenditure, the president declared.

The conference lasted about 35 minutes and covered a broad sweep of issues, including energy, arms control, governmental organization, the Central Intelligence Agency and presidential relations with Congress and with his cabinet.

Before the questions and answers, Mr. Carter emphasized his concern with re-establishing the confidence of the American people in their government. In this vein he reiterated his determination to make good on his campaign pledges. "I hope to carry out all my promises," he said.

The president, in dealing with hotly disputed issues, was perhaps most emphatic in speaking of water projects and arms control. It was clear that he feels strongly about the necessity for reducing the shipment of arms abroad. He reiterated his view that some actions may be taken unilaterally and he argued that arms production is one of the least efficient ways to spend government funds, in terms of costs and creating jobs.

A shift of funds from weapons to peaceful services would benefit not only the cause of peace but the economy as well, he added.

Mr. Carter spoke at some length in response to questions about energy conservation and development. Here he was reserved, indicating that he would not endorse specific ideas until the whole administration energy package is brought forth in April.

His stress, however, was on

set of ground rules which permit competition side-by-side with the resolution of outstanding problems and issues," he declared.

In outlining this approach, Vance was reflecting positions taken by President Carter during the presidential campaign when he charged that the Republican administrations had given up too much to Russia without appropriate returns.

Seeking to assuage concern that the Carter administration's criticism of human rights violations in Russia had provoked a major rift in relations, Vance said that during his visit to Moscow later this month he looked forward to "fruitful negotiations" with Russian leaders on a new strategic arms limitation accord.

Dealing With Cuba

Vance also disclosed that the United States is willing to deal directly with Cuba "without any preconditions" on a new fishing boundary and on renewing an anti-hijacking agreement.

In saying for the first time such talks would be direct, Vance also tried to reinterpret previous Carter statements that seemed to require that Cuba do several things before discussions could begin with Washington.

According to Vance, Mr. Carter "did not intend those to be taken as preconditions to talks. He indicated that those were important subjects that would have to be discussed in any meeting which we might have with the Cubans."

Agreement Reached

On another subject, Vance said United States and British officials "have reached at a working level general agreement on the form" of a new initiative for a Rhodesian settlement.

Vance said British leaders now are reviewing the situation and until that is completed he will say no more.

However, Vance reaffirmed the American position that the move to black majority rule "is a vital and cardinal principle and must be irrevocable."

The question of United States-Russian relations and their kinship to American concern over human rights violations within Russia dominated the news conference.

Vance noted resentful Russian statements about the American actions, but he continued that, "On the other hand, I note a continuing, deep and abiding interest in the Soviet Union and among Soviet leaders for pursuing with us the questions relating to arms control, particularly in the nuclear areas, and in a variety of other matters."

With this statement, Vance was repeating the administration's view that such matters as arms talks are so important that the Russians won't allow United States statements on human rights to interfere with settlement prospects.

Generally, Vance indicated he wants to develop a process that would reflect a "side-by-side" approach.

For instance, trade should continue as "one of the underpinnings of detente." In this regard, the secretary said he would review with Congress those laws restricting American trade as long as the Russians limit full-scale emigration by Jews and other minorities.

At the same time, Vance said the other pole in his program requires that the Russians understand the United States position on human rights "is one of the fundamental values that is our

Arkansas
Gazette

Sex Room' Advocacy Nursing Home Personnel

administrator of the Armour Heights Nursing home, said.

She said a person with a good mind who is physically able to have sex didn't need to be in a nursing home.

"Can you imagine what would happen if someone came in to see a patient and was told that the patient was in the sex room?" she asked.

Two other administrators and a number of nursing home employees who have attended federally financed conferences agreed with Mrs. Frye.

Charles Stewart of Little Rock, executive secretary of the Arkansas Nursing Home Association, said some conference speakers' opinions involve broad interpretations of federal regulations regarding a patient's right to privacy.

"Certainly, we don't want to deny anyone their rights . . .

having a room for sex, open from 10 to 12," he said.

"This sort of thing . . . could turn into a horror story. It's so highly dangerous that it scares me. There could be severe abuses involved," he said.

Miss Judy Karlins, director of the Little Rock conference, said "sex was not one of the topics discussed formally." She said the subject of sexual activity came up in small discussion groups.

"It's a problem — a real one to those who spend years in an institution," she said. "But I know that it was never said [at the conference] that there should be a room provided for sex for nursing homes."

"I don't think we advocated any particular action," Mrs. Carolyn Sanders of Pine Bluff, one of the conference instructors, said.

"While sex may not be on the

(Continued From Page 1A.)

Carter Reaffirms Strong Opposition To Water Projects

conservation. He said he was not sure about the desirability of increasing greatly the production of oil at the expense of resources available to future generations.

He did acknowledge that there will be "mandatory restraints" in his energy program, and he specifically cited insulation standards in housing and fuel economy in automobiles.

The president was relaxed, apparently in the peak of condition and spirits. He spoke warmly of his cabinet, his relations with Congress and his staff, and he spoke with confidence and enthusiasm for what he and his administration are setting out to do.

CIA Problem

His most visible concern was the problem of the CIA, after recent disclosures of CIA secret payments to King Hussein of Jor-

dan, payments that he recently discovered and halted.

He said the affair had "damaged us considerably in getting information from other countries."

His overriding concern, he said, was with reaching a standoff between maintaining confidence of the American people and at the same time "mandating a degree of confidentiality with foreign governments."

The president held his first meeting with regional editors in the Roosevelt Room of the White House, an intimate conference chamber dominated by portraits of two activist presidents, Franklin Delano Roosevelt and Theodore Roosevelt. Clearly it was a fitting setting for Jimmy Carter who, on this occasion, demonstrated anew his own commitment to an active government and an active presidency.

JPs Get List of Values In Response to Figures LR UP Head Presented

County Tax Assessor L. E. Tedford Jr. has mailed Pulaski County Quorum Court members a list of appraised values that his staff placed on several buildings in downtown Little Rock and several suburban commercial developments that were cited as inequitably assessed in a Little Rock Unlimited Progress study.

Tedford's letter was in response to the study figures presented to the Court Monday by Bob Joblin, executive director of Little Rock UP.

Tedford didn't get to respond Monday because he had left the meeting just before Joblin was invited by County Judge Roger C. Mears Jr. to present the study figures. The study showed wide differences between assessment per square foot on downtown land and land used for commercial purposes in the suburban areas.

Joblin presented no assessment figures on buildings. Tedford's figures showed no breakdown between land and buildings. The figures were his estimates of market value. Assessments are supposed to be fixed at 20 per cent of appraised or market value.

Tedford's letter said Joblin had presented "partial information," but that the appraisal figures would show "a more complete picture."

Some examples from Tedford's list:

The Sears Roebuck and Co. building on University Avenue, \$3,749,750; University Mall at University and Asher Avenues, \$6,919,000; the First National Bank Building at West Capitol Avenue and Broadway, \$18,242,000; Southwestern Bell Telephone Company at 1111 West

dan, payments that he recently discovered and halted. He said the affair had "damaged us considerably in getting information from other countries." His overriding concern, he said, was with reaching a standoff between maintaining confidence of the American people and at the same time "mandating a degree of confidentiality with foreign governments." The president held his first meeting with regional editors in the Roosevelt Room of the White House, an intimate conference chamber dominated by portraits of two activist presidents, Franklin Delano Roosevelt and Theodore Roosevelt. Clearly it was a fitting setting for Jimmy Carter who, on this occasion, demonstrated anew his own commitment to an active government and an active presidency.

(Continued From Page 1A.)

Poster Child Visits Carter

softly it couldn't be heard. "Thank you for your vote, Danva," the president replied.

(Continued From Page 1A.)

Sex Room Talk Is Upsetting, Some Report

format of a program, it's certainly discussed in a controlled conversation and these workshop leaders do a beautiful job of controlling it," Mrs. Louis McVey, administrator of Oaks Lodge Nursing Home at Fort Smith, said.

Mrs. Joy Stevens, one of Mrs. Frye's employees, said she couldn't recall who made the sex room suggestion in her group.

Mrs. Patricia Beebe of Westark Retirement Home said the subject of "petting rooms" was brought up in her group but not by an instructor. Mrs. Beebe said she attended the conference to learn, "and I just don't think this should ever have been discussed."

Another Westark employee, Mrs. Eula Martindale, said her instructor gave "no pros and cons on the subject," but "I just stood there aghast when two women were telling what went on in their nursing homes." "I just couldn't believe it."

"If the federal government is getting this far off base, someone ought to call their hand on it," Paul Willis of Westark said.

Mrs. Dianne Garner of Little Rock, president of the Arkansas NASW chapter, said the conference to help nursing home activities directors upgrade their services dealt with "all these problems that these people bring up."

"In my opinion, it needs to be handled on an individual basis," she said.

"What we do run into are those who work in a facility . . . who would rather deny that sexuality does exist . . . and you end up with more problems."

"We don't avoid the subject, and we're not going to in the future," she said.

She said she didn't know whether any instructors advocated sex rooms, but it wasn't in the printed material used at the conference. "It might be possible that one may have said that it is a feasible solution," she said.

U.S. to Finance Sale Of Rice to Syria

WASHINGTON (UPI) — The Agriculture Department announced Friday an agreement to finance the sale of \$15 million worth of American rice and tobacco to Syria under the long-term, easy-credit provisions of the Food for Peace program.

(Continued From Page 1A.)

ABC Hits Public Of Happy Hours

now on sale, under the heading "Entertainment and Happy Time Prices," the *Times* lists the happy hour schedules and some of the drink prices at 29 liquor-selling establishments.

Leveritt said the feature is run as a "reader service, so consumers can get better prices." It appears in the editorial columns of the magazine and includes listings for many restaurants that do not advertise in the *Times*.

"They didn't place it there," Leveritt said. "They didn't pay for it. They gave no consent and had no knowledge. We've had calls requesting that we take it out and we explained that it was not advertising."

He said one advertiser complained, then canceled his advertising account with the magazine. Another restaurant manager, who is not an advertiser, complained and insisted that his happy hour not be listed, but Leveritt said the First Amendment guaranteed his right to publish the listing without the consent of the restaurants.

Bailey said it appears to be liquor price advertising to him, whether it is paid for or not. He said he did not believe that the restaurants were not co-operating with the listing "because otherwise how would they get the prices?"

Leveritt said an employee of the magazine calls the bars and restaurants and asks for the information. If they won't give it out over the phone, the employee goes to the restaurant, where the happy hour schedule usually is posted on a sign somewhere.

No Direct Recourse

The ABC has no direct recourse against the *Times*. It can revoke the permits of the restaurants and force them to stop selling liquor.

Leveritt said he is worried that if any of the bars are closed for any period of time, the bars will sue the *Times* for damages. Even if the magazine won the suits, he said, the legal expenses could drive him out of business.

Clarence Cash, a former deputy prosecuting attorney who is now manager and part-owner of The Seafarer restaurant, is representing the magazine. Leveritt said Cash would try to get an injunction to prevent Bailey from even writing warning letters to the restaurants.

"We regard any pressure on the restaurants as indirect pressure on the *Times*," Leveritt said.

In 1974, Bailey was the ABC attorney who filed license revocation proceedings against two restaurants that were listed in

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MONTGOMERY
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A Day At The White House

Today's Press
Valley Forge (Pa.)

Carter Theme: Give Us Time, We'll Deliver

By BRUCE HENDERSON
Editorial Page Editor

President Carter warmed up for his Saturday debut as a radio talk show host by meeting the day before with 22 editors and news directors from around the country. We didn't get Walter Cronkite — but we didn't get a busy signal either.

A relaxed 45-minute session with the President wound up a day of briefings and question-and-answer periods.



PRESIDENT CARTER

another facet of the multi-media "Selling of the Carter Administration" show. It is a "show" that any objective reviewer would characterize as full of energy, self-assurance and promise — but we have only seen the opening scenes so far.

President Carter is committed to 20 of these sessions a year, with a different group of journalists each time. This was the first. The idea is to give the media beyond the Washington press corps a chance to get first-hand information and impressions — as well as a chance to spread the word back home. It is part of the strategy, including bi-monthly press conferences, town meetings and radio call-ins, to keep the President from becoming isolated in the Oval Office, as has happened to so many predecessors.

THE BRIEFINGS this day focused on domestic policy, government reorganization, the budget and the economy, featuring such administration officials as Bert Lance, director of the Office of Management and Budget.

It was a pride of bright young men — and one woman — all articulate, knowledgeable, dedicated and determined. Running through their presentations and answers was a zeal to deliver on the Carter promise — a naive over-whelmed by commitment; a plea for patience to let their man develop the kind of budget and government operation he wants; an assurance that Carter is in for the long haul, with no quick-fix approaches to problems; and the confidence of magicians just opening their bags of tricks, who know what's coming and engagingly contend that "You ain't seen nothing yet."

After meeting with President Carter at the end of the day, it was easy to see where they get their passion.

He walked unannounced, unheralded

and unaccompanied into the Roosevelt Room of the West Wing of the White House, sat down and quietly began talking of the existence of the people around him — from staff to cabinet.

HE CAMPAIGNED as a "people's President" and spoke with quiet fervor about establishing a good relationship with the American people as well as the Congress — and he is giving ample evidence that the public is every bit as important to him as the lawmakers.

His relationship with either, of course, is going to come down from promise to performance as he goes along through, and he is putting his performance more on the line than any President. Earlier in the day we were given copies of the hottest "book" in Washington, not Elizabeth Ray's but a compilation of every promise Carter made during his two-year campaign, dubbed "Promises, Promises" which he asked his staff to prepare the day after his election.

While he admits that it was intended to be only an internal reference work, the press demanded copies and he was happy to comply. He said Friday that he hopes to live up to these promises and welcomed the oversight of the press and public in making sure he does.

IN THE QUESTION PERIOD he admitted that one of the most disturbing surprises of his first six weeks was the CIA revelations. There was some irony there, since as a candidate he was not nearly so tolerant of CIA activities, but he deplored the lack of confidentiality in intelligence operations. "Maintaining openness and honesty while maintaining confidentiality of intelligence information concerns me," he said.

Energy was a prime topic, and President Carter emphasized that conserva-

tion must be our first priority as a nation. He was less concerned with a crash program for energy independence, more concerned with fairness in pricing and profits.

He repeated his commitment to deregulation of natural gas prices and warned that there will be a substantial increase, but voiced concern also that profits of natural gas companies not become excessive. He would like to see natural gas reserved for home use, with industry converting, not to atomic energy, but coal. He told of how Georgia had made the switch, meeting environmental standards, to the point that 80 percent of the state's power is now produced from coal.

He spoke of the need for mandatory conservation measures, citing the congressional mandate for gas mileage in new cars in the next decade, and mentioned home insulation as another possibility.

But throughout he cautioned that this was too complex an issue to single out such factors, and that he would be presenting a comprehensive energy program April 20. And he acknowledged that any programs would be instituted "only to the extent that Congress and the American people believe they're fair. That's my responsibility."

THE PRESIDENT spoke with feeling about reducing the arms race, perhaps even with the United States taking unilateral action to get a movement started. "I feel very strongly about this," he said. "I believe our own economy and world peace would be enhanced by shifting to other production or services," noting that spending for defense gives us the least return for our dollars. "If you spend it on defense," he said, "you don't spend it on education."

He came across throughout the session as a man not consumed with ego but a sincere commitment to serving the people and a clear acceptance of ultimate responsibility. The Harry Truman sign restored to his desk ("The

duck stops here") isn't just for show.

The quiet but rocky confidence that still echoes from his "I guarantee it" pledges of the campaign and convention, comes through just as strongly with his staff.

BERT LANCE, a hulking, jovial Georgian whose southern accent and easy charm belie his keen intellect, is the point man for two of Carter's most important and ambitious goals — a balanced budget by 1981 and a massive reorganization of the government. He is also a point man for devotion to Carter.

He pleaded for patience on the budgetary front. While the Carter additions to the Ford budget may have given the man in the street the impression that Carter is just another wild-spendng Democrat after all, Lance argued that this is basically a Ford budget with just minor revisions. Next year, he promised, they would begin zero base budgeting and other budget initiatives "and you'll see major changes."

As did President Carter and other officials through the day, Lance spoke of a balanced budget in 1981 as an absolute goal, a complete commitment. They must want to see Sen. Goldwater nominating Carter for a second term (as he has promised to do if the budget is balanced) as much as the rest of us. But they showed a surprisingly and encouragingly conservative intolerance for budget deficits and the deficit spending that has become a way of life in Washington.

THAT SAME ATTITUDE was reflected in Lance's uncompromising opposition to wage-price controls. "They don't work, they never have worked and they never will work," he said, while expressing surprise that the question keeps coming up, in view of his and Carter's outspoken opposition. When it was pointed out that the Nixon people were saying the same thing before instituting controls, he recognized the skepticism, but said he considers



BERT LANCE

the matter pretty well laid to rest. Lance said that the reorganization planned by Carter will shape administration more than anything. He gave the feeling that they are into it with their eyes wide open, and that every proposal will be controversial, but with a commitment that not settle for anything less.

Throughout the other briefings, the same feelings of confidence, optimism without illusions came through — with predictions of economic stability, less inflation, lower unemployment, more productivity, and a determination to get the deficit under control.

IT WAS THE KIND of heady optimism that is easy to dismiss as idealism of government rookies. There are always some rookies in quiet confidence and commitment hangs on in surprise a lot of people they become veterans, and the comment of those leaders had an infectious quality, inspiring hope even among sleepies.

It is surely going to be an interesting four years. The message echoed throughout the White House this was "Be patient. Give us a chance. Surely must wait and see. But just from the sense of mission and serendipity on display Friday we can sense that what the people want — their government has become a pragmatist again.

Editorial

A People's Government

One of the things that propelled Jimmy Carter into office was the feeling that he represented something different. Those who bought the dream believed that he would not be just another politician, taking to the leash of special interests once in office, isolating himself in the splendor of the White House and becoming more and more distant from the people and their concerns. At the same time, of course, he was dogged by a skep-

tic day with his staff and to meet with him privately is just one example. Most of our news and impressions come from the Washington press corps, but the more that this can be diffused, the more the people and the news media which provides a link for them will feel closer to the government.

President Carter has committed himself to 20 of these sessions a year, each with a different group, as well as his commitment to

Perspective

The New White House: More As It Should Be

Charles W. Bailey
Editor

March 8, 1977

Mr. Jody Powell
Press Secretary to the President
The White House
Washington, D.C.

Dear Jody:

Just a quick note to thank you for the invitation to the editors' briefing session last Friday. It was useful throughout -- especially the sessions with Bert Lance and Lyle Gramley -- and of course the presidential press conference was particularly meaty.

As you may know I spent (or mis-spent) something like 18 years in Washington, the last nine of them pretty steadily at the White House. I can't remember a president in that time coming down so flat-footed on so many issues in so short a time as Mr. Carter did with us. I cringed at some of the silly stuff brought up by some of my colleagues, but I guess that is the price you pay for letting editors in.

I only wish there had been a chance to get acquainted with you. But that will come someday, and meanwhile I will leave you to the tender mercies of Finlay Lewis, our Bureau chief.

Thanks again, and please convey my appreciation to the president.

Sincerely,

Chuck Bailey

CWB:ch

Impressions Of Jimmy Carter...

BY ROBERT E. THOMPSON
P-I Editor and Publisher

WASHINGTON — His hair is the shade of Palouse wheat dusted with winter snow. His eyes are the cold blue of a mountain lake. His demeanor is quiet and confident.

He has just completed his first six weeks in the presidency. He enjoys his job. He already has experienced triumphs, disappointments and surprises. He is studying and learning and is quite candid in stating that he does not "know all the answers."

It is difficult to imagine him raising his voice in anger. But then it is equally difficult to think that a man of such self-assurance and subdued manner would have to raise his voice.

He manages to smile even when discussing the most serious matters of state. Unlike a number of his predecessors, he also is quite willing to reply to questions with an honest "I don't know."

These are immediate impressions of President Carter gained during his initial White House meeting with newspaper editors and publishers and radio and television news directors from around the nation.

As he strode into the Roosevelt Room adjacent to his White House Oval Office late Friday to meet with the 22 news media representatives, Carter appeared a smaller man than the candidate we remember from the campaign trail.

In physical presence, he simply is not as overwhelming as Gerald Ford or Lyndon B. Johnson.

But what he lacks in height, Carter appears to make up in grace, naturalness and cool intellect. Although he wore a gray suit, blue shirt and red, white and blue tie, Carter was no more formal than he might have been in his favorite yellow sweater. He conceded that he began his relationship with Congress on

Back Page, Column 3

Impressions of Jimmy Carter, President

From Page A-1

"shaky ground" and that he has had a difficult time convincing official Washington that he truly is an accessible president and that basic decisions will be made by cabinet officers and not just in the White House.

He made it clear he is determined not to have a Bob Haldeman or John Ehrlichman standing between him and Congress or the people.

The President also reported during his first six weeks in office he discovered there is a basic — and probably dangerous — conflict between the need to preserve an open democratic society and the need to protect American intelligence efforts abroad.

Carter said he has no ready solution for this dilemma, which has disturbed all of his immediate predecessors and which may be as old as democracy itself. But he is deeply concerned about its impact upon both the United States and America's allies and adversaries abroad.

Surrounded by paintings recalling the vivid careers of the inimitable Theodore and Franklin Roosevelts, the President made his comments when asked to enumerate the major disappointments and surprises of his first weeks in office.

While he did not specifically mention newspaper reports of CIA payments to King Hussein of Jordan and other foreign leaders, the President said: "One of the surprises has been the almost total absence of any sort of confidentiality around Washington on matters that I think sometimes we would like to hold to ourselves. I have been quite disconcerted at some of the CIA revelations, for instance, and I believe it has damaged us considerably in our capability of obtaining adequate intelligence information from other countries."

He then asked: "How can you maintain a democracy, truthfulness and frankness with the American people on the one hand, and on the other hand preserve a mandatory degree of confidentiality about intelligence sources."

While he said such confidentiality is important in peacetime, Carter added "it would be crucial to us in time of an international crisis to have the people who give us information, completely in a legitimate way, to know their help to us, their aid to us, their friendship to us, wouldn't be revealed publicly."

This is but one of many problems that now have come to rest on the shoulders of Jimmy Carter, President, as never on the shoulders of Jimmy Carter, Governor of Georgia.

Such problems do not offer themselves to overnight solutions.

But it is obvious that Carter is working long and hard, from 7 a.m. to 7 p.m. each day, to educate himself on such matters in the hope that eventually he can find solutions.

He will make his mistakes, as he already has with certain appointments.

But after a visit with him it is hard to disagree with Jimmy Carter's own assessment that during six weeks in the White House "I have learned an awful lot."

THE WHITE HOUSE
WASHINGTON

April 16, 1977

Stu Eizenstat -

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Tim Kraft

Re: Tax Reform

THE WHITE HOUSE
WASHINGTON

ACTION	FYI
	MONDALE
	COSTANZA
+	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
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	GAMMILL
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	PRESS
	B. RAINWATER
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	SCHULTZE
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	SMITH
	STRAUSS
	WELLS
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THE WHITE HOUSE
WASHINGTON

April 15, 1977

Hamilton Jordan

The attached is forwarded to you
for your personal information.

Rick Hutcheson

Re: Tax Reform

"DETERMINED TO BE AN ADMINISTRATIVE MARKING
CANCELLED PER E.O. 12350, SEC. 1.3 AND
ARCHIVIST'S MEMO OF MARCH 16, 1983"

THE WHITE HOUSE
WASHINGTON

April 13, 1977

THE PRESIDENT HAS SEEN.

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

SUBJECT:

Tax Reform

*Stu ok - give
me schedule - give
brief m/f before
J*

Stu

I am concerned that Treasury's review of the tax code will not be as bold and open-minded as you want and have publicly promised.

My concern is prompted by the growing number of people who have told me that the good intentions of Larry Woodworth are increasingly being overtaken by the cautious, bureaucratic approach characteristic of all Treasury tax reform efforts. Unless this trend is reversed, you are likely to get in September a package which ignores sweeping reform in favor of minor (but complicated) changes in existing loopholes.

I think you can reverse the trend by meeting briefly with Larry and his top people, and indicating to them the depth of your commitment to real reform and the mandate they have from you - not Treasury - to produce such reform. I think that Secretary Blumenthal should also be at the meeting.